OPINION

of the Committee on Budgets

for the Committee on Industry, Research and Energy

on the proposal for a Council regulation on Union support for the nuclear decommissioning assistance programmes in Bulgaria, Lithuania and Slovakia (COM(2011)0783 – C7-0514/2011 – 2011/0363(NLE))

Rapporteur: Nils Torvalds
AMENDMENTS

The Committee on Budgets calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Draft legislative resolution
Paragraph 1 a (new)

Draft legislative resolution

Amendment

(1a) Points out that the financial envelope specified in the legislative proposal is only an indication to the legislative authority and that it can not be fixed until agreement is reached on the proposal for a regulation laying down the multiannual financial framework for the years 2014-2020;

Amendment 2

Draft legislative resolution
Paragraph 1 b (new)

Draft legislative resolution

Amendment

(1b) Recalls its resolutions of 8 June 2011 on Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and inclusive Europe and of 23 October 2012 in the interests of achieving a positive outcome of the MFF approval procedure; reiterates that, sufficient additional resources are needed in the next MFF in order to enable the Union to fulfil its existing policy priorities and the new tasks provided for in the Treaty of Lisbon, as well as to respond to unforeseen events; challenges the Council, if it does not share this approach, to clearly identify which of its
political priorities or projects could be dropped altogether, despite their proven European added value;

\[\text{Texts adopted, P7_TA(2011)0266.}\]
\[\text{Texts adopted, P7_TA(2012)0360.}\]

Amendment 3

Proposal for a regulation
Recital 4

\textit{Text proposed by the Commission}

(4) In line with the Accession Treaty obligations and with the support of Community assistance, Bulgaria, Lithuania and Slovakia have closed the nuclear power plants and made significant progress towards their decommissioning. Further work is necessary in order to continue the progress with the actual dismantling operations until an irreversible state within the safe decommissioning process is reached, whilst ensuring that the highest safety standards are applied. Based on the available estimates, completion of decommissioning work will require substantial additional financial resources.

\textit{Amendment}

(4) In line with the Accession Treaty obligations and with the support of Community assistance, Bulgaria, Lithuania and Slovakia have closed the nuclear power plants and made significant progress towards their decommissioning. Further work is necessary in order to continue the progress with the actual dismantling operations until an irreversible state within the safe decommissioning process is reached, whilst ensuring that the highest safety standards are applied. Based on the available estimates, completion of decommissioning work will require substantial additional financial resources \textit{while taking into account the shared financial responsibility of the Union and these Member States.}

Amendment 4

Proposal for a regulation
Recital 5 a (new)

\textit{Text proposed by the Commission}

(5a) Although the shutdown of all units concerned took place within the respective
deadlines, some decommissioning programmes continue to encounter delays that are economically damaging and politically unacceptable; this should be tackled by the revised detailed decommissioning plan.

Amendment 5
Proposal for a regulation
Recital 5 b (new)

_text proposed by the Commission_  

(5b) As some programmes have not yet triggered the organisational changes needed for effective decommissioning, it should be ensured that the necessary transformation of organisational structures is performed.

Amendment 6
Proposal for a regulation
Recital 6 a (new)

_text proposed by the Commission_  

(6a) The amount of the appropriations allocated to the Programmes, as well as the programming period and distribution amongst the Kozloduy, Ignalina and Bohunice programmes may be reviewed based on the results of the mid-term evaluation report, ensuring that the highest safety standards and steady process of decommissioning in accordance with respective decommissioning plans will not be endangered.

Amendment 7
Proposal for a regulation
Recital 6 b (new)
(6b) Proport account should be taken of the Special Report 16/2011: EU financial assistance for the decommissioning of nuclear power plants in Bulgaria, Lithuania and Slovakia: achievements and future challenges, from the Court of Auditors which includes conclusions and recommendations.

Amendment 8

Proposal for a regulation
Recital 9

(9) The decommissioning of the nuclear power plants covered by this Regulation should be carried out with recourse to the best available technical expertise, \textit{and} with due regard to the nature and technological specifications of the units to be shut down, in order to ensure the highest possible efficiency.

Amendment

(9) The decommissioning of the nuclear power plants covered by this Regulation should be carried out with recourse to the best available technical expertise, with due regard to the nature and technological specifications of the units to be shut down \textit{and with comprehensive assessments on the progress of the decommissioning and mitigation processes}, in order to ensure the highest possible efficiency.

Amendment 9

Proposal for a regulation
Recital 12 a (new)

(12a) The Commission will ensure utmost transparency, accountability and democratic scrutiny of the Union funds, especially as regards their contribution, both expected and achieved, to reaching the general objectives of the Programmes. \textit{In particular critical managerial, legal, financial and technical problems should be resolved or measures taken to solve...}
Amendment 10
Proposal for a regulation
Article 2 – paragraph 1

Text proposed by the Commission

1. The general objective of the Programme is to assist the Member States concerned to reach an irreversible state within the decommissioning process of Kozloduy units 1 to 4, Ignalina units 1 and 2 and Bohunice V1 units 1 and 2 nuclear power plants, in accordance with their respective decommissioning plans, while keeping the highest level of safety.

Amendment

1. The general objective of the Programme is to assist the Member States concerned to reach an irreversible state within the decommissioning process of Kozloduy units 1 to 4, Ignalina units 1 and 2 and Bohunice V1 units 1 and 2 nuclear power plants, in accordance with their respective decommissioning plans, while keeping the highest level of safety and without exposing the health of workers and the general population to excessive risk.

Amendment 11
Proposal for a regulation
Article 3 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. The financial envelope for the implementation of the Programme for the period 2014 to 2020 shall be EUR 552 947 000 in current prices.

Amendment

Considering the losses incurred by the units' early closure, and in order to meet the highest safety standards, the indicative financial reference amount as defined in the point [18] of the Interinstitutional Agreement of xx/201z between the European Parliament, the Council and the Commission on cooperation in budgetary matters and sound financial management for the implementation of the Programme for the period 2014 to 2020 shall not exceed EUR [....] in constant 2011 prices. This financial envelope merely illustrates the will of the legislative authority and does not affect the powers of the budgetary authority as defined by the TFEU.
Amendment 12
Proposal for a regulation
Article 3 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Annual appropriations shall be authorised by the budgetary authority without prejudice to the provisions of the Regulation laying down the multiannual financial framework for the years 2014-2020 and the Interinstitutional Agreement xxx/201z between the European Parliament, Council and the Commission on cooperation in budgetary matters and sound financial management.

Amendment 13
Proposal for a regulation
Article 3 – paragraph 1 – subparagraph 2

Text proposed by the Commission

That amount shall be distributed among the Kozloduy, Ignalina and Bohunice Programmes as follows:

(a) EUR 208 503 000 for the Kozloduy Programme for the period 2014 to 2020;
(b) EUR 229 629 000 for the Ignalina Programme for the period 2014 to 2017;
(c) EUR 114 815 000 for the Bohunice Programme for the period 2014 to 2017.

Text proposed by the Commission

That amount shall be indicatively distributed among the Kozloduy, Ignalina and Bohunice Programmes as follows:

(a) 37,7% for the Kozloduy Programme for the period 2014 to 2020;
(b) 41,5% for the Ignalina Programme for the period 2014 to 2017;
(c) 20,8% for the Bohunice Programme for the period 2014 to 2017.

Amendment 14
Proposal for a regulation
Article 3 – paragraph 2

Text proposed by the Commission

2. The Commission will review the performance of the Programme and assess the progress of the Kozloduy, Ignalina and Bohunice Programmes against the milestones and target dates referred to in

Amendment

2. The Commission will review the performance of the Programme, assess the progress of the Kozloduy, Ignalina and Bohunice Programmes against the milestones and target dates referred to in
Art 2.3 by the end of 2015 within the framework of the interim evaluation referred to in Art. 8. Based on the results of this assessment, the Commission may review the amount of the appropriations allocated to the Programme, as well as the programming period and distribution amongst the Kozloduy, Ignalina and Bohunice Programmes.

Amendment 15
Proposal for a regulation
Article 3 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Considering the substantial losses following the early closure of the units, every effort shall be made to continue at a sufficient level the co-financing practice established under the pre-accession assistance and the assistance given over the period 2007-2013 for all three Member States' decommissioning efforts as well as to attract co-financing from other sources as appropriate.

Amendment 16
Proposal for a regulation
Article 3 – paragraph 3 – subparagraph 1 b (new)

Text proposed by the Commission

Amendment

The allocation may also cover preparatory work for the construction of a final repository. Measures to deal with the consequences of closure and
decommissioning may not be covered.

Amendment 17
Proposal for a regulation
Article 3 – paragraph 3 – subparagraph 2

Text proposed by the Commission


Amendment

The financial allocation may also cover the technical and administrative assistance expenses necessary to ensure the transition between the Programme and the measures adopted under Council Regulation (EC) 1990/2006, Regulation (Euratom) No 549/2007 and Council Regulation (Euratom) 647/2010. The financial allocation shall not cover other measures than the ones listed under this Article and Article 2.

Amendment 18
Proposal for a regulation
Article 3 – paragraph 3 a (new)

Text proposed by the Commission

3a. Disagreements on the interpretation of treaties and award of contracts must be submitted to an arbitration procedure. Resultant delays in construction may lead to postponement of payment and reductions in the financial allocation. An annual report on this issue shall be submitted by the Commission to the European Parliament.

Amendment

Amendment 19
Proposal for a regulation
Article 4 – paragraph 1 – point c

PE498.148v02-00 10/16 AD\922730EN.doc
Text proposed by the Commission

(c) Submit to the Commission a revised detailed decommissioning plan

Amendment

(c) Submit to the Commission a revised detailed decommissioning plan that includes the specific objectives, project schedule, project cost structures, co-financing proportions and an overall financial plan identifying sources for the national part of the funding in the long term.

Justification

Objectives and deadlines should strictly be met in the decommissioning processes by all parties, an effective organisational structure should consolidate the programs, sufficient funding should be secured from the EU and national budgets, by which even unpredictable technical and safety stops during the decommissioning process must be covered.

Amendment 20

Proposal for a regulation

Article 4 – paragraph 2

Text proposed by the Commission

2. The Commission shall assess the information provided on the fulfilment of the ex ante conditionalities when preparing the 2014 annual work programme as referred to in Article 6(1). It may decide, when adopting the annual work programme, to suspend all or part of the Union financial assistance pending the satisfactory completion of the ex ante conditionalities.

Amendment

2. The Commission shall assess the information provided on the fulfilment of the ex ante conditionalities when preparing the 2014 annual work programme as referred to in Article 6(1), in particular that critical managerial, legal, financial and technical problems have been resolved or measures have been taken to solve them. The assessment shall include an opinion obtained from ENSREG (the European Nuclear Safety Regulators Group). If there is a reasoned opinion by the Commission in respect of an infringement for non-compliance with conditionality referred to in paragraph 1(a) or if conditionalities referred to in paragraph 1(b) or 1(c) is not satisfactory, the decision on suspension of part or of all of the Union financial assistance may be taken in accordance with the examination procedure referred to in
Article 9(2). Such decision shall be reflected in the adoption of the 2014 annual work programme. The amount of suspended assistance shall be defined in accordance with criteria set out in the act referred to in Article 6(2).

Amendment 21

Proposal for a regulation
Article 7 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1(a) By 31 March of the year following each accounting year, the Member States shall report on the use of the financial envelope. These reports, certified by national audit bodies, shall be sent to the Commission and the Council to be incorporated into the general EU budget discharge procedure.

Amendment 22

Proposal for a regulation
Article 7 – paragraph 2 – subparagraph 1

Text proposed by the Commission

Amendment

2. The Commission or its representatives and the Court of Auditors shall have the power of audit, on the basis of documents and on-the-spot, over all grant beneficiaries, contractors and subcontractors who have received Union funds.

2. The Commission or its representatives, the national audit bodies of the Member States in which the nuclear facilities to be declassified are situated and the Court of Auditors shall have the power of audit, on the basis of documents and on-the-spot, over all grant beneficiaries, contractors and subcontractors who have received Union funds under the Programme. The results of the audits shall be communicated to the European Parliament.

Amendment 23
Proposal for a regulation  
Article 7 – paragraph 2 – subparagraph 2

Text proposed by the Commission

The European Anti-fraud Office (OLAF) may carry out on-the-spot checks and inspections on economic operators concerned directly or indirectly by such funding in accordance with the procedures laid down in Regulation (Euratom, EC) No 2185/96 with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the European Union in connection with a grant agreement or grant decision or a contract concerning Union funding.

Amendment

The European Anti-fraud Office (OLAF) may carry out on-the-spot checks and inspections on economic operators concerned directly or indirectly by such funding in accordance with the procedures laid down in Regulation (Euratom, EC) No 2185/96 with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the European Union in connection with a grant agreement or grant decision or a contract concerning Union funding. The results of the checks and inspections shall be communicated to the European Parliament.

Amendment 24

Proposal for a regulation  
Article 7 – paragraph 2 – subparagraph 3

Text proposed by the Commission

Without prejudice to the first and second sub-paragraphs, cooperation agreements with third countries and international organisations and grant agreements and grant decisions and contracts resulting from the implementation of this Regulation shall expressly empower the Commission, the Court of Auditors and OLAF to conduct such audits, on-the-spot checks and inspections.

Amendment

Without prejudice to the first and second sub-paragraphs, cooperation agreements with third countries and international organisations and grant agreements and grant decisions and contracts resulting from the implementation of this Regulation shall expressly empower the Commission, the Court of Auditors and OLAF to conduct audits, on-the-spot checks and inspections and shall ensure that the results of these are communicated to the European Parliament.

Amendment 25

Proposal for a regulation  
Article 8 – paragraph 1
1. No later than end 2015, an evaluation report shall be established by the Commission on the achievement of the objectives of all the measures, at the level of results and impacts, the efficiency of the use of resources and its Union added value, in view of a decision amending or suspending the measures. The evaluation shall additionally address the scope for simplification, its internal and external coherence, the continued relevance of all objectives. It shall take into account evaluation results on the long-term impact of the predecessor measures.

1. No later than May 2016, an interim evaluation report shall be established by the Commission, in close cooperation with the beneficiaries, on the achievement of the objectives of all the measures, at the level of results and impacts, the efficiency of the use of resources and its Union added value and the effectiveness of the programme management, including management of Union funds by external bodies such as the European Bank for Reconstruction and Development, in view of a decision amending or suspending the measures. Based on the results of this assessment, the Commission may review the management solutions and the appropriateness of the amount of appropriations allocated to the Programme, and the distribution between Kozloduy, Ignalina and Bohunice. It shall take into account evaluation results on the long-term impact of the predecessor measures.

Amendment 26
Proposal for a regulation
Article 8 – paragraph 3

Text proposed by the Commission

3. Evaluations shall take account of progress against performance indicators as referred to in Article 2(2).

Amendment

3. Evaluations shall take account of progress against performance indicators as referred to in Article 2(2) and fulfilment of requirements set out in Article 4(1)(c). The assessment report shall be submitted to ENSREG (the European Nuclear Safety Regulators Group) for review.

Amendment 27
Proposal for a regulation
Article 8 a (new)
Article 8a
Final Evaluation for the period 2014-2020

1. The Commission shall carry out ex-post evaluation in close cooperation with the beneficiaries. The ex-post evaluation shall examine the effectiveness and efficiency of the Programme and its impact on decommissioning.

2. Before 31 December 2020, the Commission shall establish in close cooperation with the Member States and beneficiaries, a final evaluation report the effectiveness and efficiency of the Programme, as well as the effectiveness of financed measures in terms of impacts, use of resources and added value for the Union.

3. The final evaluation shall take account of progress against performance indicators as referred to in Article 2(2).

4. The Commission shall communicate the conclusions of this evaluation to the European Parliament and the Council.

5. The Commission shall take into account the various decommissioning expertise and strategies employed by these Member States to explore possible ways of harmonising approaches of decommissioning in the Union in order to ensure timely accumulation of the necessary knowledge in order to improve the competitiveness of the Union nuclear industry in that domain.
RESULT OF FINAL VOTE IN COMMITTEE

<table>
<thead>
<tr>
<th>Date adopted</th>
<th>18.12.2012</th>
</tr>
</thead>
</table>
| Result of final vote | +: 27  
| | -: 3  
| | 0: 1  |
| Members present for the final vote | Marta Andreasen, Richard Ashworth, Zuzana Brzobohatá, Jean-Luc Dehaene, Göran Färn, José Manuel Fernandes, Eider Gardiazábal Rubial, Jens Geier, Ivars Godmanis, Lucas Hartong, Monika Hohlmeier, Anne E. Jensen, Ivailo Kalfin, Jan Kozłowski, Alain Lamassoure, Giovanni La Via, Jan Mulder, Vojtěch Mynář, Juan Andrés Naranjo Escobar, Dominique Riquet, Alda Sousa, Derek Vaughan, Angelika Werthmann |
| Substitute(s) present for the final vote | François Alfonsi, Maria Da Graça Carvalho, Gerben-Jan Gerbrandy, Jaroslav Paška, Paul Rübig, Peter Šťastný, Georgios Stavrakakis, Gianluca Susta |